

TreasuryDirect 2004 Privacy Impact Assessment (PIA) Summary

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Introduction: System Description

The TreasuryDirect system enables investors to open an account, buy U.S. Treasury obligations, and manage both their accounts and holdings via the Internet. The system provides investors with an easy and secure way of viewing and managing all of their Treasury security holdings from one convenient location. We are developing the system in a series of stand-alone phases, so new functionality is being incrementally deployed to the public. Currently the system provides full servicing of both Series EE and I U.S. Savings Bonds held in electronic form. We will later expand the system to include U.S. Treasury marketable securities.

Sections I, II and III: Description of Information Collected, Why Information is Requested and the Intended Use of the Information

We designed the system specifically to operate with the barest minimum of personally identifiable information from the customer. The primary purpose of requesting this information is to conduct financial transactions in a purely electronic and Internet-based environment. A secondary purpose for this information is to thoroughly verify the customer's identity. We verify the customer's identity to:

- protect the investor from identity theft;
- protect the financial interest of the United States federal government; and
- meet the various anti-money laundering and anti-terrorist financing requirements mandated by the federal government.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Ia Description of Information Collected	Ib Source of the Information Collected	II Why the Information is Collected	III Intended Use of the Information
<p>Account Holder's Name, which includes:</p> <ul style="list-style-type: none"> • first name (required); • middle name or initial (optional); • last name (required); and • suffix (optional). 	<p>Provided by the account holder via a secured Internet connection</p>	<ul style="list-style-type: none"> • Establish an account • Verify the customer's identity. • Identify the customer. • Register legal ownership of U.S. Treasury obligations. • Manage the customer's account and investment holdings. • Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> • Establish an account • Verify the customer's identity. • Identify the customer. • Register legal ownership of U.S. Treasury obligations. • Manage the customer's account and investment holdings. • Perform required IRS tax reporting functions.
<p>Name of other parties, which includes:</p> <ul style="list-style-type: none"> • first name (required); • middle name or initial (optional); • last name (required); and • suffix (optional). <p>Other parties include secondary and beneficial owners of securities or minor children. Information for secondary and beneficial owners is only required if account holder wishes to co-own a security with another individual. Information for a minor child is required if the account holder is opening an account for a minor.</p>	<p>Provided by the account holder via a secured Internet connection</p>	<ul style="list-style-type: none"> • Register legal ownership of U.S. Treasury obligations. • Manage the customer's account and investment holdings. • Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> • Register legal ownership of U.S. Treasury obligations. • Manage the customer's account and investment holdings. • Perform required IRS tax reporting functions.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment) Identifier:	01535011401100200402128

Ia Description of Information Collected	Ib Source of the Information Collected	II Why the Information is Collected	III Intended Use of the Information
Account Holder's Social Security Number (SSN) (required)	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Establish an account Identify the customer. Verify the customer's identity. Register legal ownership of U.S. Treasury obligations. Manage the customer's account and investment holdings. Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> Establish Identify the customer. Verify the customer's identity. Register legal ownership of U.S. Treasury obligations. Manage the customer's account and investment holdings. Perform required IRS tax reporting functions.
SSN of other parties (secondary owner, beneficial owner or minor child) (required). Other parties include secondary and beneficial owners of securities or minor children. This information is only required if account holder wishes to co-own a security with another individual or open an account for a minor.	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Register legal ownership of U.S. Treasury obligations. Manage the customer's account and investment holdings. Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> Register legal ownership of U.S. Treasury obligations. Manage the customer's account and investment holdings. Perform required IRS tax reporting functions.
Account Holder's email address (required)	Provided by the account holder via a secured Internet connection	Email is the primary mode of communicating with the account holder.	<ul style="list-style-type: none"> To contact the customer so as to communicate information regarding his/her account and investments. Promptly notify the customer of changes in his/her account and investment holdings.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Ia Description of Information Collected	Ib Source of the Information Collected	II Why the Information is Collected	III Intended Use of the Information
Account Holder's home telephone number (required)	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> To contact the customer so as to communicate information regarding his/her account and investments. Verify the customer's identity. 	<ul style="list-style-type: none"> To contact the customer so as to communicate information regarding his/her account and investments. Verify the customer's identity.
Account Holder's home address (required), which includes: <ul style="list-style-type: none"> Full street address (post office box not acceptable); City; State; and Zip Code. 	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Verify the customer's identity. To contact the customer so as to communicate information regarding his/her account and investments. Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> Verify the customer's identity. To contact the customer so as to communicate information regarding his/her account and investments. Perform required IRS tax reporting functions.
Account Holder's drivers license or state identity card information (optional), which includes: <ul style="list-style-type: none"> License number Issuing state Expiration date 	Provided by the account holder via a secured Internet connection	Verify the account holder's identity.	Verify the account holder's identity.
Alternate telephone numbers, such as Work and Cell (optional)	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Verify the account holder's identity. Provide an alternate means to contact the customer so as to communicate information regarding his/her account and investments. 	<ul style="list-style-type: none"> Verify the account holder's identity. Provide an alternate means to contact the customer so as to communicate information regarding his/her account and investments.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency: Bureau: Account Identification Code: Unique Project (Investment) Identifier:	U.S. Department of the Treasury Bureau of the Public Debt 015-35-05-6000-0 01535011401100200402128
---	---

Ia Description of Information Collected	Ib Source of the Information Collected	II Why the Information is Collected	III Intended Use of the Information
Account Holder's bank information (required), which includes the: <ul style="list-style-type: none"> Name of the financial institution; Account number; Financial institution's ABA routing number; Names on the account; and Bank account type (checking or savings). 	Provided by the account holder via a secured Internet connection	To transact financial business with the customer by: <ul style="list-style-type: none"> Withdrawing funds for the purchase of U.S. Treasury obligation; and Depositing funds for interest and security redemption payments. Verify the customer's identity. 	To transact financial business with the customer by: <ul style="list-style-type: none"> Withdrawing funds for the purchase of U.S. Treasury obligation; and Depositing funds for interest and security redemption payments. Verify the customer's identity.
TreasuryDirect Account Number, a unique 10 character alphanumeric symbol (required)	Provided by the system upon establishment of the account.	To specifically identify a single account, and to differentiate it from other accounts.	To specifically identify a single account, and to differentiate it from other accounts.
TreasuryDirect account password, a maximum of 12 alphanumeric characters (required).	Provided by the account holder via a secured Internet connection	To provide system security and to control and restrict access to the account.	To provide system security and to control and restrict access to the account.
Password Hint, a line of text to remind the account holder of his/her forgotten password (required).	Provided by the account holder via a secured Internet connection	To assist the customer.	Customer uses the function to remind him/her of a forgotten password.
Authentication Questions and Answers, one word response to five standardized questions (e.g. favorite color, favorite movie, etc.) (required).	Provided by the account holder via a secured Internet connection	To build a reliable profile of the customer to authenticate his/her identity to the system in order to gain access to the account.	The customer uses the function whenever he/she has forgotten either the account number or account password and wants to access the account. The system will only permit access if the customer correctly answers all questions.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Ia Description of Information Collected	Ib Source of the Information Collected	II Why the Information is Collected	III Intended Use of the Information
Account Holder's date of birth (required)	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Ensure that the individual is a legal adult Verify the account holder's identity. 	<ul style="list-style-type: none"> Ensure that the individual is a legal adult Verify the account holder's identity.
Minor child's date of birth (required if establishing a minor account).	Provided by the custodian via a secured Internet connection	<ul style="list-style-type: none"> To ensure that that the minor child is not an adult. To identify when the minor child becomes a legal adult (defined as 18 years of age). 	Protect the minor's assets and restrict the account holder's transaction capabilities over the minor's account once the child becomes an adult.
Purchase/principal amount of the security (required).	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> Manage the customer's investment holdings. Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> Manage the customer's investment holdings. Perform required IRS tax reporting functions.
Security registration (required), the full name(s) of the security's owner(s).	Provided by the account holder via a secured Internet connection	<ul style="list-style-type: none"> To record legal ownership of the security. Manage the customer's investment holdings. Perform required IRS tax reporting functions. 	<ul style="list-style-type: none"> To record legal ownership of the security. Manage the customer's investment holdings. Perform required IRS tax reporting functions.
Personalized Account Name, a string of text use to provide an alternative name for the account.	Provided by the account holder via a secured Internet connection	To permit the customer to give his/her account an easy to remember and unofficial account nickname.	To permit the customer to give his/her account an easy to remember and unofficial account nickname.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Section IV: With Whom System Information is Shared

When the account holder is first establishing his/her account, TreasuryDirect uses the on-line verification service Pay.gov to verify the customer's identity. Pay.gov is a Treasury-approved verification engine designed and developed by our sister agency, the Financial Management Service (FMS). Pay.gov uses multiple third party databases (such as Equifax, TeleCheck, RAF, etc.) to perform identity verification. Information exchanges between TreasuryDirect and Pay.gov are transmitted over a secured and encrypted Virtual Private Network (VPN) link. This VPN link ensures that data is not monitored or altered by unauthorized parties. Pay.gov does not retain the customer data after it completes the verification process.

A limited amount of customer information is shared with the customer's financial institution so as to electronically process financial transactions. TreasuryDirect customers must have an active account at a U.S. depository institution. All purchase and payment transactions processed through TreasuryDirect are made by directly debiting or crediting this account via ACH.

To comply with the Internal Revenue Code, we give the IRS the required information on the investor's interest earnings.

The Social Security Administration (SSA) maintains a computer matching agreement with Public Debt. SSA uses this agreement to identify Supplemental Security Income (SSI) applicants and recipients who did not report or incorrectly reported ownership of savings securities. In accordance with this agreement Public Debt cross-matches individuals identified by SSA against the system's customer database, and we provide SSA with the total par amount of U.S. savings securities held in the system by these individuals. The notice of this matching agreement was published on November 4, 2003 in Volume 68, Number 213 of the Federal Register.

In accordance with Title 5 U.S.C. Section 552a (b), Public Debt is permitted to release customer information in response to a subpoena or order issued by a U.S. based court. We are further permitted to release information to other government organizations to enable them to perform their official duties, such as law enforcement agencies on the federal, state or local level.

We control internal access by Public Debt employees to investor information contained in the system in accordance with Title 5 U.S.C. Section 552a (b) (1) and (2). Access to system information is strictly controlled and selectively granted based on the employee's need to perform his/her official duties. When an employee's duties change, then his/her access rights are changed accordingly or withdrawn entirely.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Section V: Opportunities to Decline/Consent to Uses of Information

Throughout the account establishment process, the customer has the option to cancel the transaction. If the customer elects to cancel the transaction, then no information provided up to that point is retained by the system.

Section VI: How Information is Secured

The information collected and maintained on TreasuryDirect is categorized as Sensitive But Unclassified (SBU). Public Debt has implemented suitable system, personnel and physical security measures to adequately protect the integrity and security of this information.

System Security Measures: TreasuryDirect meets the specific security requirements established by the Federal Information Security Management Act (FISMA), OMB Circular A-130 and guidance from the U.S. Department of Commerce's National Institute of Standards and Technology (NIST). Public Debt completed the system's most recent C&A review in February 2004. On February 27, 2004, the Chief Information Officer for Public Debt (acting as the system's Principle Accrediting Authority) certified that the system is compliant with the federal standards cited above and is authorized to continue operations.

Personnel Security Measures: Public Debt has implemented a detailed security infrastructure to ensure that all employees have been screened to ensure a level of trust commensurate with the duties of the individual. These measures comply with the Office of Personnel Management (OPM) human resource guidelines.

Physical Security Measures: All TreasuryDirect components are located in a restricted, access-controlled area within a Public Debt building. Physical security at Public Debt buildings includes x-raying all hand carried items by person(s) entering the buildings. Armed security guards are posted throughout our facilities for 24-hour coverage, seven (7) days a week. The exterior of the buildings are monitored with a closed circuit television and a videocassette recorder system.

Contingency and Business Continuity Planning: The programming code and system data are frequently backed up on a regular schedule and stored both on-site and off-site in secured and access-restricted locations. In the event of a major system failure or disaster, the code and system data can be recalled from storage and the system restored.

In addition to plans to ensure business continuity, we maintain several processes to address short-term distributions in the system's functioning. These processes are:

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

- First, specialized software to monitor the system's performance.
- Second, a contingency process to respond to short-term loss of email capability.
- Third, an automated process to rapidly detect loss of Pay.gov service and to respond to this loss of service.

Section VII: System of Record Notification

Public Debt issued a System of Records notification for TreasuryDirect. The notice was published in the Federal Register dated May 22, 2001 under the title of BPD.008-Retail Treasury Securities Access Application (the system's original name at its early developmental stage).

Public Debt had previously published two other notices that define the terms and conditions governing the routine use of customer information (5 U.S.C. Section 552a (b) (3)), which is in addition to BPD.008 that specifically addresses records maintained on the system. These notices are: BPD.002 for United States Savings-Type Securities; and BPD.003 for United States Securities (Other than Savings-Type Securities).

Section VIII: The Consequences of Collecting/Flow of Information

The system was designed specifically to enable investors of U.S. Treasury securities to process their own transactions with minimal to no customer service support via the Internet. As with all e-Commerce applications, information given by the customer is vulnerable to interception by unauthorized parties. To effectively mitigate this risk, all information keyed by the customer and displayed to the customer is transmitted over a secure socket layer (SSL) connection using a minimum 128-bit encryption.

Section IX: Alternatives to Collecting and Handling Information

As indicated above, the system was designed to fully enable customer self-sufficiency in a near real-time electronic environment. This design directive limited us to a real-time and inter-active Internet-based application, because the use of an off-line system would represents a "step-back" that runs counter to the President's Management Agenda.

Section X: Risk Mitigation Measures

A thorough risk inventory analysis was conducted on the system during its design phase. This inventory is re-examined and re-assessed at least annually to address new developments.

TreasuryDirect Summary Privacy Impact Assessment (PIA)

Agency:	U.S. Department of the Treasury
Bureau:	Bureau of the Public Debt
Account Identification Code:	015-35-05-6000-0
Unique Project (Investment)	
Identifier:	01535011401100200402128

Section XI: Rationale for the Final System Design

The executive management of Public Debt established a set core of strategic goals for the system at its inception. The system gives Public Debt an effective tool that:

- Provides a single Internet portal for our retail products and online services;
- Establishes a stronger identity and common positioning for our products in the financial marketplace and the world of electronic commerce;
- Reinforces our retail relationship with customers; and,
- Promotes investor self-sufficiency using interactive technologies.

The overall thrust of these goals is to establish a single consolidated point to deliver all our retail services, which our customers can use without (or at most minimum) customer service assistance.

Section XII: Informational Life Cycle Analysis

The system's Integrated Project Team and the operations staff have implemented a records management procedure to ensure the correct and proper retention and ultimate disposal of systemic and business records for the system. This procedure was established based on regulatory guidance provided by the National Archive and Records Administration (NARA). This guidance addresses the general records requirements as cited in the relevant sections of General Records Schedule (GRS) 20 and 24, and the specific guidance set forth for electronic records as cited in NARA Bulletin 2003-02.